



COMMONWEALTH of VIRGINIA

Virginia Employment Commission

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Virginia Unemployment Rate Down 0.2 Percentage Point to 3.4 Percent in March 2005

—30-day changes mostly seasonal—

RICHMOND—Virginia's unemployment rate improved by 0.2 percentage point from 3.6 percent in February 2005 to 3.4 percent in March 2005. The 3.4 percent March Virginia jobless level was the lowest in three months, since December 2004 when Virginia unemployment also stood at 3.4 percent. Strong hiring in professional and business services, the leisure and hospitality industry preparing for spring travelers to Virginia, and seasonal hires in construction and trade and transportation reduced Virginia joblessness in March.

Virginia's 3.4 percent March 2005 unemployment rate was well below both the March 2004 Virginia jobless rate of 3.9 percent and the U.S. March 2005 unemployment rate of 5.4 percent. The number of unemployed workers in the state fell 6,000 between February and March to 131,600. Virginia's seasonally adjusted unemployment rate for March 2005 was still unchanged at 3.3 percent. Virginia's labor force increased by 17,600 individuals between February and March of this year to 3,852,900.

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Virginia's ten metropolitan areas presented a mixed picture in March 2005 as far as unemployment rates were concerned. Eight areas followed the statewide March pattern to lower unemployment. The Danville area, where unemployment was down from 8.2 percent in February to 7.3 percent in March, showed the most 30-day improvement, but Danville still had the state's highest metro area unemployment. Northern Virginia, where unemployment was down from 2.6 percent in February to 2.4 percent in March, still had the lowest metro area jobless rate. Unemployment in the Harrisonburg area was unchanged at 2.8 percent, but Harrisonburg had the state's second-lowest metro area unemployment. The Blacksburg-Christiansburg-Radford area saw unemployment rise from 3.6 percent in February to 3.8 percent in March because of temporary layoffs.

Among Virginia's 134 individual counties and independent cities, Loudoun County, at 2.0 percent, had the lowest unemployment in March, and Loudoun was the only jurisdiction to register a labor-shortage unemployment level of 2.0 percent or lower this month. Martinsville city, at 10.6 percent, had the highest jobless level, and Martinsville was the only Virginia jurisdiction to have double-digit unemployment in March.

UNEMPLOYMENT*
(Not Seasonally-Adjusted)

	March 2005		February 2005		March 2004	
	Number	Rate	Number	Rate	Number	Rate
United States	7,986,000	5.4	8,549,000	5.8	8,834,000	6.0
Virginia	131,600	3.4	137,600	3.6	147,400	3.9
Blacksburg-Christiansburg-Radford	2,970	3.8	2,830	3.6	3,480	4.7
Charlottesville	2,660	2.9	2,760	3.0	3,080	3.4
Danville	3,750	7.3	4,210	8.2	3,840	7.4
Harrisonburg	1,810	2.8	1,820	2.8	1,830	2.9
Lynchburg	4,370	4.0	4,570	4.2	5,380	4.9
Northern Virginia	32,440	2.4	34,160	2.6	37,060	2.9
Richmond	21,650	3.6	22,750	3.8	23,570	4.0
Roanoke	4,990	3.4	5,250	3.6	5,830	4.0
Virginia Beach-Norfolk-Newport News, Virginia/North Carolina	31,050	3.9	32,580	4.1	33,160	4.1
Winchester, Virginia/West Virginia	1,860	3.0	1,980	3.2	2,050	3.3

* Current month's estimates preliminary.

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The number of Virginia residents drawing unemployment benefits this March was 38,000, compared to 40,000 in February 2005 and 44,000 in March 2004. Initial claims for benefits averaged 5,100 per week in March 2005, compared to 5,300 per week in February 2005 and 5,200 per week in March 2004. Cumulative initial claims totaled 23,151 this March, 20,681 in February 2005, and 24,407 in March 2004. Although mid-month construction employment totals did not seem to be greatly affected by the weather, this March saw more outside workers losing more individual days from work because of the frequent snow, ice, and rain storms than in March 2004, thus there were more repeat filings for benefits. Temperatures were unusually cold for March, often averaging 15 to 20 degrees below normal.

Nonagricultural employment expanded 25,400 in March to a level of 3,612,600. The professional and business services sector hired 6,000 additional employees in March as this industry's rapid expansion boosted its employment total to 589,900. The leisure and hospitality industry added 5,800 jobs in March for a level of 306,600 as it geared up for spring travelers and tours to Virginia. Construction employment climbed 4,500 to 232,800 workers in spite of frequent March storms and cold temperatures. Sales related to an early Easter this year boosted trade and transportation employment 2,800 to a total of 647,100. Private education and health care with private schools still staffing for the spring semester and the peak of the health care season added 2,700 more workers to a level of 393,100. Total government employment, at 662,500, grew 1,300 because of more second semester hires at schools. The remaining industrial sectors had smaller springtime hires of 900 to 181,400 in miscellaneous services, 600 to 190,300 in finance, 400 to 297,800 in manufacturing, and 400 to 101,100 in information.

Virginia's 229,300 production workers earned an average weekly wage of \$661.37 in March 2005, which was \$17.92 below February's weekly wage, but was \$1.81 higher than the March 2004 weekly wage. The March workweek was 40.8 hours, which was 0.9 hour shorter than the February workweek and 0.5 hour less than the March 2004 workweek. The hourly production pay rate at \$16.21 was \$.08 less than the February pay rate, but \$.24 more than the pay rate last year in March.

The unemployment rate in Virginia usually falls again from March to April with springtime activities peaking before the schools and colleges start to close for the summer. April usually has the lowest unemployment rate in the first half of the year.

The current month's statistical reference period was the week of March 6 – 12, 2005.

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